

AFFIDAVIT OF MR. COCKRUM

In the matter of: Steel Investigation No. TA-201-73

I, Keith E. Cockrum, having been duly sworn, hereby declare:

1. I am a Corporate Commodity Manager for Vermont American Corporation. Vermont American Corporation is located in National City Tower, Suite 2300; 101 South Fifth Street; Louisville, KY 40202. Vermont American Corporation is the world's largest manufacturer of power tool accessories (drill bits, router bits, taps & dies, etc), a leading manufacturer of hand tools, and a purchaser of large quantities of steel.
2. Vermont American Corporation employs approximately 2300 people in the United States.
3. Vermont American Corporation's manufacturing facilities rely on sources of supply that provide steel of the highest quality in grades of 4340, A2, H11, H13, M1, M2, M7, M35 and M50.
4. Vermont American Corporation purchases these grades in the form of bar, sheet, rod and wire.
5. Vermont American purchases approximately 90% percent of its high speed steel from Bohler Uddeholm and the remainder from Latrobe Steel.
6. Vermont American wants a mill direct source for its high-speed steel. There is only one domestic source. Prior to 2000, Vermont American Corporation purchased over 90% of its high-speed steel from the domestic source. The business was moved to Bohler because Bohler's steel can be used more efficiently in Vermont American's manufacturing processes, the material is readily available and the price is competitive.
7. Vermont American Corporation has spent the past year qualifying Bohler on 229 different high-speed steel items at 3 different manufacturing locations. In total, Vermont American

Corporation has consumed over 1500 man-hours in material qualification, logistics, testing, specification revisions and equipment modifications to make Bohler a viable source.

8. If, because of relief imposed in this 201 investigation, Vermont American's ability to obtain high-speed steel from Bohler Uddeholm were impaired, it would have a serious impact on Vermont American's ability to compete in the global marketplace. In addition to the costs and risks associated with qualifying another supplier, Vermont American would be at risk of losing its customers to foreign manufacturers because the price and quality of its products would not be competitive.
9. It is the position of Vermont American Corporation that any remedy stopping, imposing tariffs, or otherwise limiting the import of high-speed bars and rods into the United States will have an injurious effect not only on Vermont American, but also on the U.S. tool industry and on the competitive supply of HSS steel to this industry. Without Bohler Uddeholm, reliance on the domestic alternative (considering quality and capacity) would place Vermont American Corporation in an uncomfortably vulnerable position.
10. I certify that the information contained in this statement is, to the best of my knowledge, complete and accurate. I also request proprietary treatment of the information in this Statement, disclosure of which could affect my company's competitive position.

Dated: _____

Keith Cockrum
Corporate Commodity Manager

Commonwealth of Kentucky
County of _____

The foregoing was subscribed and sworn to before me this _____ day of _____, 2001 by
Keith Cockrum.

Notary Public

My commission expires: _____